

FY 2012 Claims for High Cost Aid

We are still working on updates to the web-based high cost claim software. Due to the delay in releasing the software, the High Cost Aid claim due date **will not** be December 1, 2012, but rather January 31, 2013. We are hoping that the improvements to the software will increase the efficiency of both claim submission by LEA staff and claim review by DPI staff. If you have any questions, please contact Sarah Houser at sarah.houser@dpi.wi.gov. Sarah replaced Lori Ames as the other Federal Fiscal Monitoring Consultant on the Special Education team and will be taking the lead on the High Cost Aid program.

FY 2012 IDEA Entitlement Carryover Amounts

The total amount of unspent IDEA funds from FY 2012 are carried over into the FY 2013 fiscal year (for more information, please review the carry over policy at <http://sped.dpi.wi.gov/files/sped/pdf/idea-carryover.pdf>). FY 2013 carryover amounts will be posted to the IDEA budget software by Monday, Nov. 19. If an estimated carryover amount was entered by the LEA, it will be overwritten by the official number. This will only make a difference to a budget if the amount entered by the LEA is different than the amount uploaded by DPI. If you believe there is a discrepancy in the carryover amount that appears in the software, please contact Sarah Houser at sarah.houser@dpi.wi.gov

Remodeling of Seclusion Rooms – Not An Allowed IDEA Cost

Three years ago, the Department made a policy decision that IDEA funds may not be used to construct new or remodel existing seclusion rooms or “time out” rooms (and this is reflected in the IDEA allowables document). There have been some requests submitted through the IDEA budgets recently regarding using IDEA funds to remodel existing seclusion rooms to meet the requirements of 2011 Wisconsin Act 125, the newly enacted law addressing seclusion and restraint in public schools, which went into effect on September 1, 2012.

Using IDEA funds for the remodeling of seclusion rooms is not an allowed cost. 2011 Wisconsin Act 125 addresses the seclusion and restraint of all students, not just students with disabilities, thus the remodeling is not an excess cost of providing special education instruction and related services. In addition, because the requirements of a seclusion room are in state law, using IDEA funds to make these changes would be considered supplanting and a violation under OMB Circular A-133.

Medicaid Billing – Not An Allowed IDEA Cost

The costs for administering the Medicaid school-based services (SBS) program, including fixed fees charged by third-party administrators, cannot be charged to the IDEA grant because they are not necessary for the performance of the IDEA grant. These costs are eligible costs under the SBS program, either as direct costs or through the program’s indirect cost rate. LEAs that have accidentally claimed costs for Medicaid billing against the IDEA grant must return the claimed funds to DPI.

Flat Rate Open Enrollment – Not An Allowed IDEA Cost

Beginning with the 2012-13 fiscal year, LEAs must account for the flat rate open enrollment expense and revenue amount for all students (both regular and special education) in **fund 10**. Only the additional student specific tuition related to special education students may be accounted for in fund 27. A very helpful document has been created that provides scenario open enrollment examples and how an LEA should code for open enrollment related costs: http://sfs.dpi.wi.gov/files/sfs/doc/open_enrollment_wufar.doc

LEAs are only allowed to charge the special education costs of a student attending a non-resident school district to the IDEA flow-through or preschool grants. When a student with disabilities is part of open enrollment, the nonresident school district submits a bill directly to the resident school district for the flat general education tuition rate plus the cost of special education and related services.

The amount to be billed is equal to the transfer amount for regular education (\$6,445 for FY 13) plus any actual, additional, special education costs to educate the student. "Actual, additional special education costs" are actual costs incurred by the school district that are specific to the student and would not be incurred if the student was not attending the nonresident school district. It does not include averaged or prorated costs the school district is already paying. [Doe v. Burmaster, U.S. District Court Eastern District 03-CV-892]

In keeping with the federal regulations that IDEA funding may only be used to pay for the excess cost of special education, districts may only charge the "actual, additional special education costs" that are incurred by the student to IDEA flow-through or preschool entitlement grants.